

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)



Form approved. Budget Bureau No. 1004-0136 Expires December 31, 1991

UNITED STATES DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT				5. LEASE DESIGNATION AND SERIAL NO. U-73088					
					6. IF INDIAN, ALOTTEE OR TRIBE NAME				
APPLICATION FO	R PERMIT TO	DRII	LL, DEEPEN, O	OR P	LUG BAC	K			
1a. TYPE OF WORK DRIL							7. UNIT AGREEMEN	Г NAME	
OIL GAS WELL X WELL	ОТНЕК		SINGLE ZONE	MULTI ZONE	PLE .	i	8. FARM OR LEASE?	NAME nument Butte Federal	
2. NAME OF OPERATOR	OTHER		ZONE	ZONE		!	9. WELL NO.		
Inland Production Com	nanv						#10-27	•	
3. ADDRESS OF OPERATOR	·						10. FIELD AND POOL		
P.O. Box 790233 Vern				e: (80	1) 789-1866		Monui	ment Butte	
4. LOCATION OF WELL (Report	ocation clearly and in accorda	ance wit	h any State requirements.*)				11. SEC., T., R., M., O		
At Surface NW/SE	1000 POT 0 1000	ו הויהו					AND SURVEY OR		
At proposed Prod. Zone	1980' FSL & 1980'	FLL	•				Sec. 27	7, T8S, R16E	
14. DISTANCE IN MILES AND DIREC	TION FROM NEAREST TOWN	OR POS	r office•	·	** **	-	12. County	13. STATE	
10.2 Miles southwest of	Myton, Utah						Duchesne	UT	
15. DISTANCE FROM PROPOSED* LO OR LEASE LINE, FT. (Also to neares		RTY	16, NO. OF ACRES IN LEASE	1	17. NO. OF ACRES	ASSIGNE	ED TO THIS WELL		
1980'			1198.94		40				
18. DISTANCE FROM PROPOSED LO DRILLING, COMPLETED, OR APP			19. PROPOSED DEPTH		20. ROTARY OR CA Rotar		OLS		
1320'	2122 1 31 31 111 22 132 132 132	•	6500'			J			
21. ELEVATIONS (Show whether DF, R	T, GR, etc.)		<u> </u>				PROX. DATE WORK WILL START* Quarter 1997		
	AND CEMENTING P	ROGR	AM			· · · · · ·	tunitor 1997		
	T					I			
SIZE OF HOLE 12 1/4"		WEIGHT/F 24#	OOT	300'	G DEPTH	120 s	TY OF CEMENT		
7 7/8"		24# 15.5#				400 sx followed by 330 sx			
7 770	3 1/2	13.311		ID			etail Below	20 8X	
	L					<u> </u>			
	ent volumes will b			•	•	•	15% excess.		
SURFACE PIPE - Prei		-	•				-1/-1-		
vvei LONG STRING - Lead			.D: 1.37 Cu Ft/sk		H2O Req: 6	o.4 Ga	al/SK		
Weig	ht: 11.0 PPG	YIE	LD: 3.00 Cu Ft/sk		H ₂ 0 Req: 1	8.08	Gal/sk		
Tail:	Premium Plus Th	iixoti	ropic		·				
Weig	ht: 14.2 PPG	YIE	LD: 1.59 Cu Ft/sk		H20 Req:	7.88 G	9al/sk		
IN ABOVE SPACE DESCRIBE PR	OPOSED PROGRAM : If pr	oposal i	s to deepen or plug back, giv	e data on	present productive	e zone an	d proposed new produ	ctive zone.	
If proposal is to drill or deepen direc	ctionally, give pertinent data o	n subsu	rface locations and measured	l and true	vertical depths. C	ive blow	out preventer program	, if any.	
24.	1								
SIGNED SIGNED	Meetur		TITLE District Man	nager		DATE	6/6/97		
Brad Mech	am					•			
(This space for Federal or State office	use)	-							
PERMIT NO. 43-0 Application approval does not warrant	13 - 31 9 0 5 t or certify that the applicant holds	legal or e	APPROVAL DATE	e subject le	ease which would enti	tle the app	licant to conduct operation	ns thereon.	
CONDITIONS OF APPROVAL, IF A	ANY:								
APPROVED BY h	R. Baja		TITLE Associa	tı I	hirector	DATE	2/6/	97	
7			-			•	/- /-	·	

T8S, R16E, S.L.B.&M.

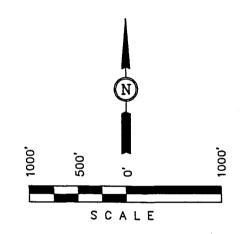
INLAND PRODUCTION CO.

Well location, N. MONUMENT BUTTE #10-27, located as shown in the NW 1/4 SE 1/4 of Section 27, T8S, R16E, S.L.B.&M. Duchesne County, Utah.

1910 County, U Brass Cap 13" High, Mound of Stones

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHEAST CORNER OF SECTION 27, T8S, R16E, S.L.B.&M. TAKEN FROM THE MYTON SE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5501 FEET.



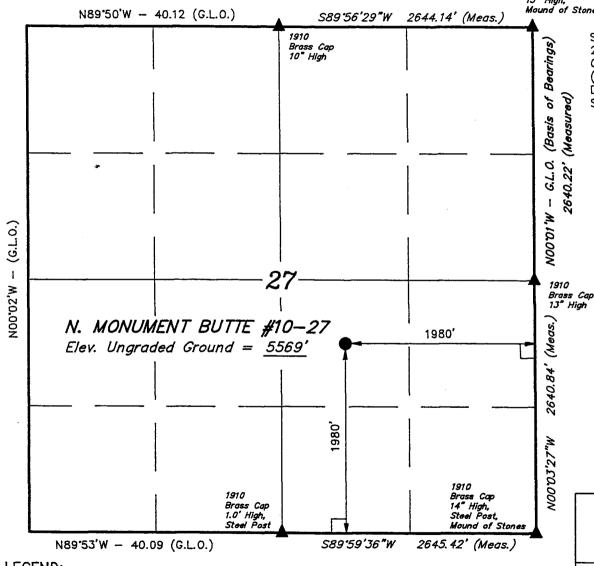
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELLEY.

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (801) 789-1017

1" = 1000'	DATE SURVEYED: DATE DRAWN: 11-27-96 12-11-96			
D.A. M.C. D.R.B.	REFERENCES G.L.O. PLAT			
WEATHER	FILE			
COLD INLAND PRO		JCTION CO.		



LEGEND:

. = 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

INLAND PRODUCTION COMPANY N. MONUMENT BUTTE FEDERAL #10-27 NW/SE SECTION 27, T8S, R16E DUCHESNE COUNTY, UTAH

TEN POINT WELL PROGRAM

1. <u>GEOLOGIC SURFACE FORMATION:</u>

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

 Uinta
 0' - 3050'

 Green River
 3050'

 Wasatch
 6500'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS;

Green River Formation 3050' - 6500' - Oil

4. PROPOSED CASING PROGRAM

8 5/8", J-55, 24# w/ ST&C collars; set at 300' (New) 5 1/2", J-55, 15.5# w/ LT&C collars; set at TD (New)

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

The operators minimum specifications for pressure control equipment are as follows:

A 8" Series 900 Annular Bag type BOP and a 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOPS's will be checked daily.

(See Exhibit F)

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

The well will be drilled with fresh water through the Uinta Formation. From the top of the Green River Formation @ $3050^{\circ}\pm$, to TD, a fresh water/polymer system will be utilized. If necessary to control formation fluids, the system will be weighted with the addition of bentonite gel, and if conditions warrant, barite. Clay inhibition will be achieved with additions or by adding DAP (Di-Ammonium Phosphate, commonly known as fertilizer). This fresh water system will contain Total Dissolved Solids (TDS) of less than 3000 PPM. Neither potassium chloride or chromate's will be utilized in the fluid system. The anticipated mud weight is 8.4 ppg and weighted as necessary for gas control.



7. AUXILIARY SAFETY EOUIPMENT TO BE USED:

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

8. TESTING, LOGGING AND CORING PROGRAMS:

No drill stem testing has been scheduled for this well. It is anticipated at this time that the logging will consist of a Dual Induction Laterolog, Gamma Ray/Caliber from TD to base of surface casing @ $300'\pm$, and a Compensated Neutron-Formation Density Log. Logs will run from TD to $3500'\pm$. The cement bond log will be run from PBTD to cement top. An automated mud logging system will be utilized while drilling to monitor and record penetration rate, and relative gas concentration, in the fluid system.

9. ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:

The anticipated bottom hole pressure is 1800 psi. It is not anticipated that abnormal temperatures will be encountered; nor that any other abnormal hazards such as H2S will be encountered in this area.

10. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:

It is anticipated that the drilling operations will commence in third quarter of 1997, and take approximately six days to drill.

INLAND PRODUCTION COMPANY N. MONUMENT BUTTE FEDERAL #10-27 NW/SE SECTION 27, T8S, R16E DUCHESNE COUNTY, UTAH

THIRTEEN POINT WELL PROGRAM

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site N. Monument Butte Federal #10-27 located in the NW 1/4 SE 1/4 Section 27, T8S, R16E, S.L.B. & M. Duchesne County, Utah:

Proceed westerly out of Myton, Utah along Highway 40 - 1.5 miles \pm to the junction of this highway and Utah State Highway 53; proceed southerly along Utah State Highway 53 - 6.3 miles to its junction with an existing dirt road to the southwest; proceed southwesterly along this road - 2.4 miles to its junction with the proposed access road, to be discussed in Item #2.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County Crews.

The aforementioned dirt oil field service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads required for access during the drilling, completion and production phase will be maintained at the standards required by the BLM or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The planned access road leaves the existing location described in Item #1 in the NE1/4 SE 1/4 Section 27, T8S, R16E, S.L.B. & M., and proceeds in a westerly direction approximately .3 miles \pm , to the proposed location site.

The proposed access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is determined necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. LOCATION OF EXISTING WELLS

There are nineteen (19) producing, one (1) P&A, and three (3) water injection Inland Production wells, within a one (1) mile radius of this location. See Exhibit "D".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery the well pad will be surrounded by a dike of sufficient capacity to contain at minimum the entire contests of the largest tank within the facility battery.

Tank batteries will be built to BLM specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted Desert Tan. All facilities will be painted within six months of installation.

5. LOCATION AND TYPE OF WATER SUPPLY

Inland Production Company has purchased a 3" water connection with Johnson Water District to supply the Monument Butte, Travis, and Gilsonite oil fields. Johnson Water District has given permission to Inland Production Company to use water from this system, for the purpose of drilling and completing the N. Monument Butte Federal #10-27. A temporary line may be used for water transportation from our existing supply line, from Johnson Water District (See Exhibit "G",) or trucked from Inland Production Company's water supply line located at the Gilsonite State #7-32 (SW/NE Sec. 32, T8S, R17E), or the Monument Butte Federal #5-35 (SW/NW Sec. 35, T8S, R16E), or the Travis Federal #15-28 (SW/SE Sec. 28, T8S,R16E). See Exhibit "C".

There will be no water well drilled at this site.

6. SOURCE OF CONSTRUCTION MATERIALS

See Location Layout Sheet - Exhibit "E".

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.



7. METHODS FOR HANDLING WASTE DISPOSAL

See Location Layout Sheet - Exhibit "E".

A small reserve pit (80 X 40 X 8' deep, or less) will be constructed from native soil and clay materials. A water processing unit will be employed to continuously recycle the drilling fluid as it is used, returning the fluid component to the drilling rig's steel tanks. The reserve pit will primarily receive the processed drill cuttings (wet sand, shale & rock) removed from the well bore. Any drilling fluids which do accumulate in the pit as a result of sale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed by the water recycling unit and then returned to the steel rig tanks. All drilling fluids will be fresh water based containing DAP (Di-Ammonium Phosphate, commonly known as fertilizer), typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride chromate's, trash, debris, nor any other substance deemed hazardous will be placed in this pit. Therefore, it is proposed that no synthetic liner be utilized in the reserve pit.

All completion fluids, frac gels, etc., will be contained in steel tanks and hauled away to approved commercial disposal, as necessary.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

Immediately upon first production, all produced water will be confined in storage tanks. Inland requests temporary approval to transfer the produced water to Inland's nearby waterflood, for re-injection into the waterflood reservoirs via existing approved injection wells. Within 90 days of first production, a water analysis will be submitted to the Authorized Officer, along with an application for approval of this, as a permanent disposal method.

8. ANCILLARY FACILITIES

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. WELL SITE LAYOUT

See attached Location Layout Sheet - Exhibit "E".

The reserve pit will be located on the west between stakes 4 & 5.

There will be no flare pit on this well.

The stockpiled topsoil (first six (6) inches) will be windrowed on the east side between stakes 2 & 8.

Access to the well pad will be from the north between stakes 7 & 8.



Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a) A 39 inch net wire shall be used with at least one strand of barbed wire on top of the net.
- b) The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- Corner posts shall be cemented and/or braced in such a manner to keep tight at all times
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. PLANS FOR RESTORATION OF SURFACE

a) Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, material, trash and junk not required for production.

The reserve pit and that portion of the location not needed for production facilities/ operations will be re contoured to the approximated natural contours. The reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

When the drilling and completion phase ends, reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. The seed mixture will be per B.L.M. and stated in the conditions of approval.

b) Dry Hole Abandoned Location

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the B.L.M. will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP - Bureau Of Land Management



12. OTHER ADDITIONAL INFORMATION

- a) Inland Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Inland is to immediately stop work that might further disturb such materials, and contact the Authorized Officer.
- b) Inland Production will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. On B.L.M. administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without B.L.M. authorization. However, if B.L.M. authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

The Archaeological Cultural Resource Survey Report is attached.

Inland Production Company requests that a pipeline ROW be granted to the N. Monument Butte Federal #10-27, from N. Monument Butte Federal #9-27, (approximately 1320',) for a 3" poly fuel gas line and a 4" poly gas gathering line. Both lines will be run on surface, adjacent to roadway. A temporary line may be used from Johnson Water District to provide water for drilling and completion. See Exhibit "G".

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations. Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. Inland Production is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

Hazardous Material Declaration

Inland Production Company guarantees that during the drilling and completion of the N. Monument Butte Federal #10-27 we will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Inland also guarantees that during the drilling and completion of the N. Monument Butte Federal #10-27, we will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Inland Production Company or a contractor employed by Inland Production shall contact the B.L.M. office at (801) 789-1362, 48 hours prior to construction activities.

The B.L.M. office shall be notified upon site completion prior to moving on the drilling rig.

N. MONUMENT BUTTE FEDERAL #10-27

13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Representative

Name:

Brad Mecham

Address:

P.O. Box 1446

Roosevelt, Utah 84066

Telephone:

(801) 722-5103

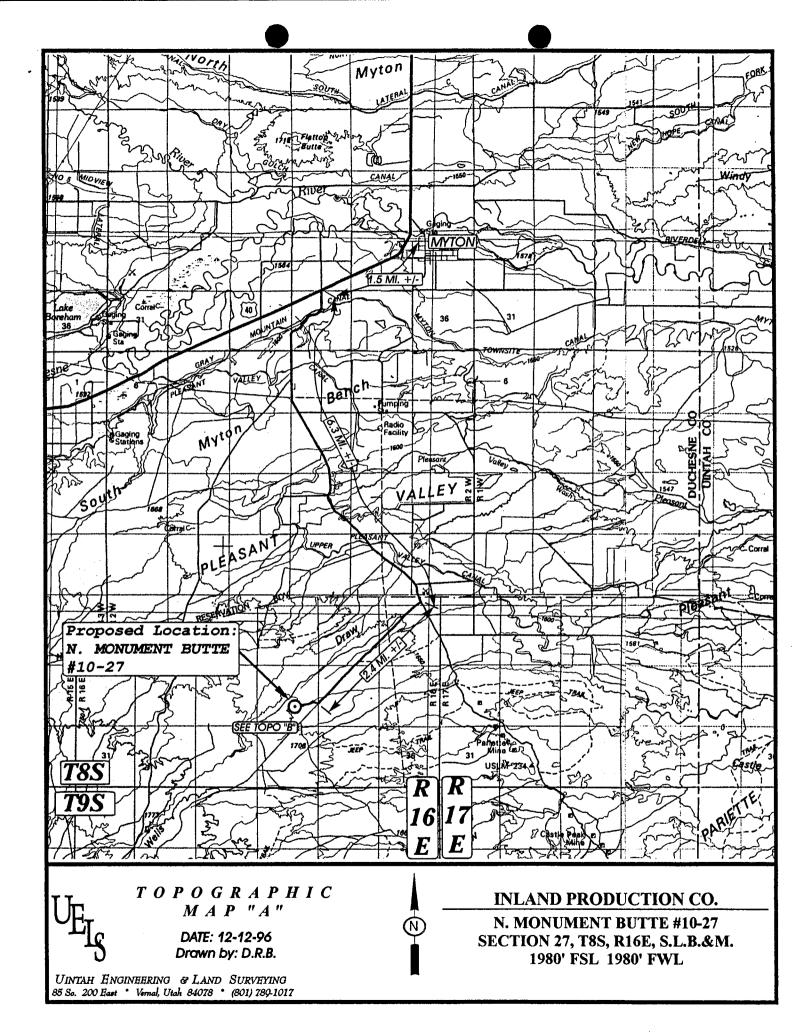
Certification

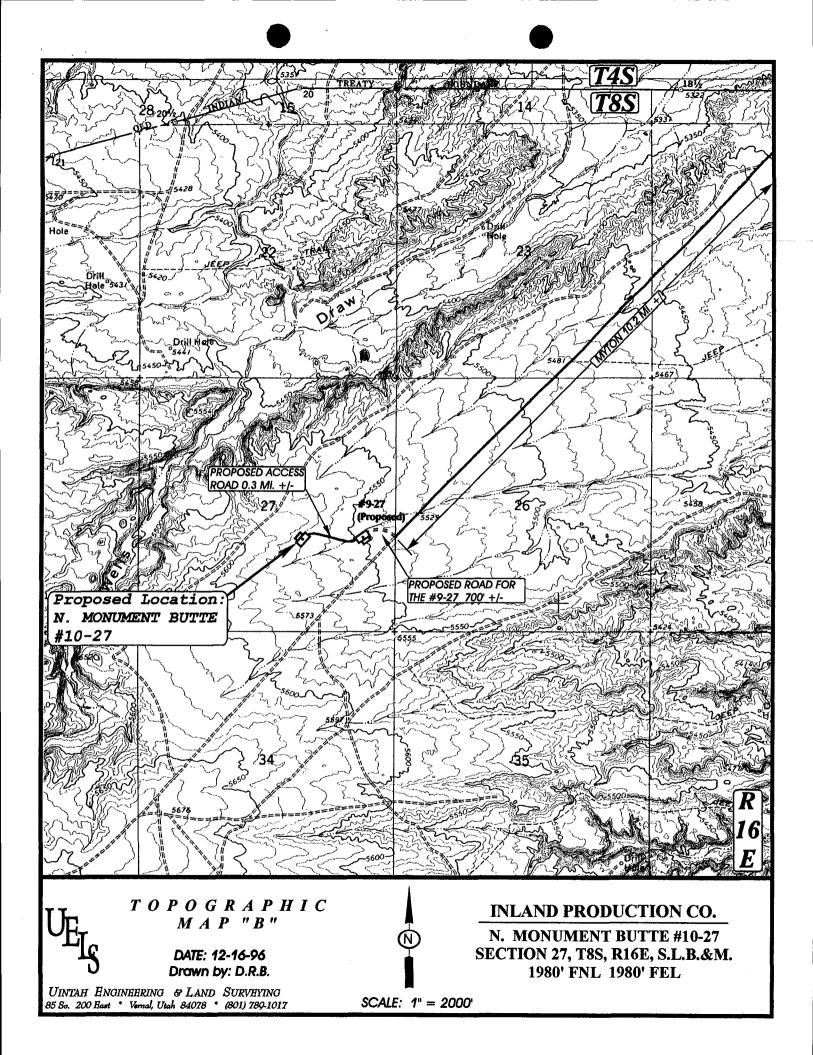
Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of Well #10-27 NW/SE Section 27, Township 8S, Range 16E: Lease #U-62848 Duchesne County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

6-12-97

Brad Mecham District Manager





	37	26	30	17	
29	14	13	Boundary Unit		16
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21 22	-Ċ- 1 23	Monument Butte NE	9	7-20 20 	21
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8s/16E		13-24 14-24 15-24 16-24		15-20 13-21	14-21 15-21 16-21
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27	6-26 7-26 8-26	5-25 6-25 7-25 8-25 25	5-30 6-30 30	-Ç- 32-29 29	8S/17E
Travis Unit	26-13 11-26 10-26 9-26	12-25 11-25 10-25 9-25	12-30 11-30		
14-28 16-28 13-27	13-26 14-26 15-26 16-26	13-25 14-25 15-25 16-25	13-30 14-30 16-30		
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11-3-G 11-4-G 21-4-G 1-3	3-2	4-1 1-1 31-1J 2-1	13-32 141-32 11-6 21-6 33169 41-6 1A 21	-5 31-5 4-I	
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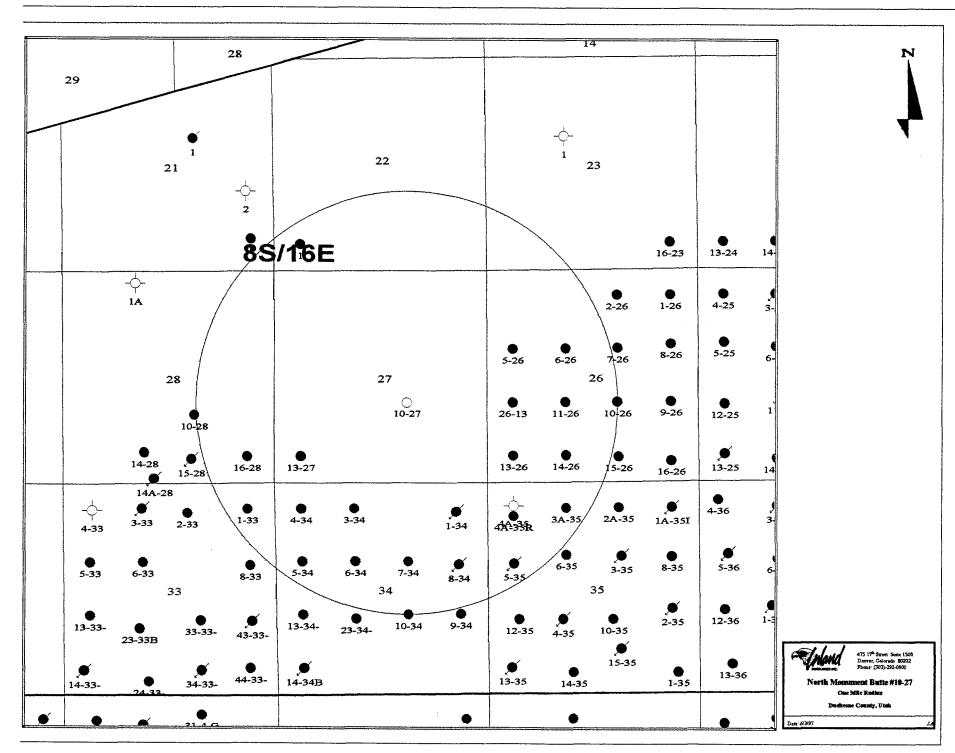
475 17th Street Suite 1500 Degreer, Colorado 20202 Phone: (303)-292-0990

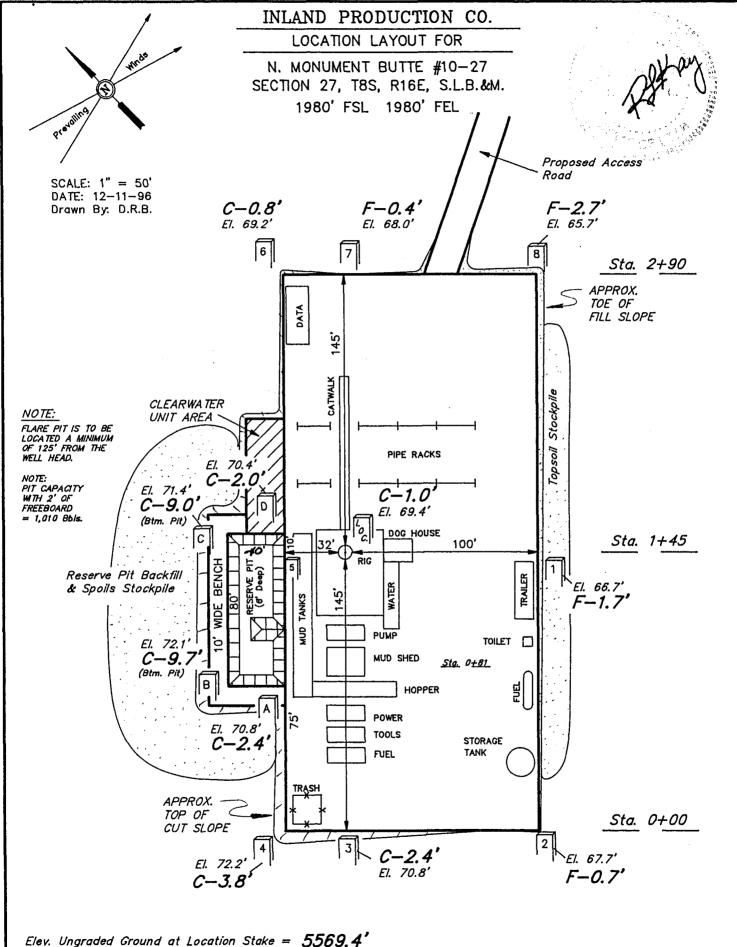
Regional Area

Duchesne County, Utah

Date:4/18/97

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Elev. Ungraded Ground at Location Stake = 5569.4'
Elev. Graded Ground at Location Stake = 5568.4'

UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017

INLAND PRODUCTION CO.

TYPICAL CROSS SECTIONS FOR

N. MONUMENT BUTTE #10-27 SECTION 27, T8S, R16E, S.L.B.&M. 1980' FSL 1980' FEL



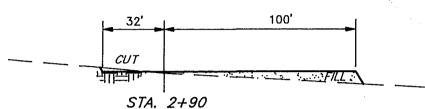
DATE: 12-11-96 Drawn By: D.R.B.

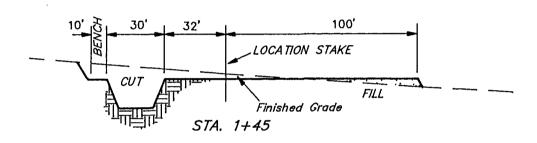
X-Section

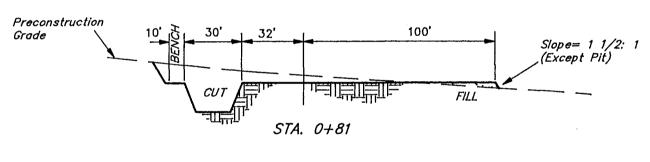
Scale

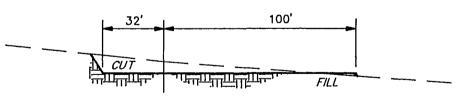
1" = 50'

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STA. 0+00

APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 750 Cu. Yds.

Remaining Location = 1,340 Cu. Yds.

TOTAL CUT = 2,090 CU.YDS.

FILL = 1,080 CU.YDS.

EXCESS MATERIAL AFTER

5% COMPACTION

= 950 Cu. Yds.

Topsoil & Pit Backfill

= *950* Cu. Yds.

(1/2 Pit Vol.)

EXCESS MATERIAL After = 0 Cu. Yds.

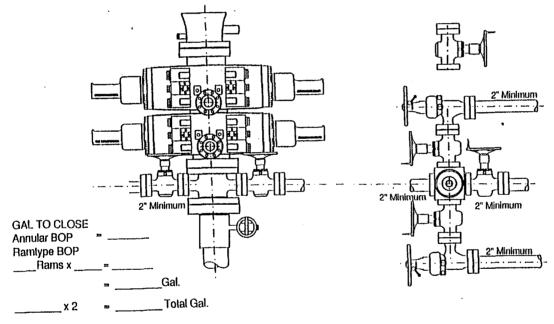
Reserve Pit is Backfilled &

Topsoil is Re-distributed

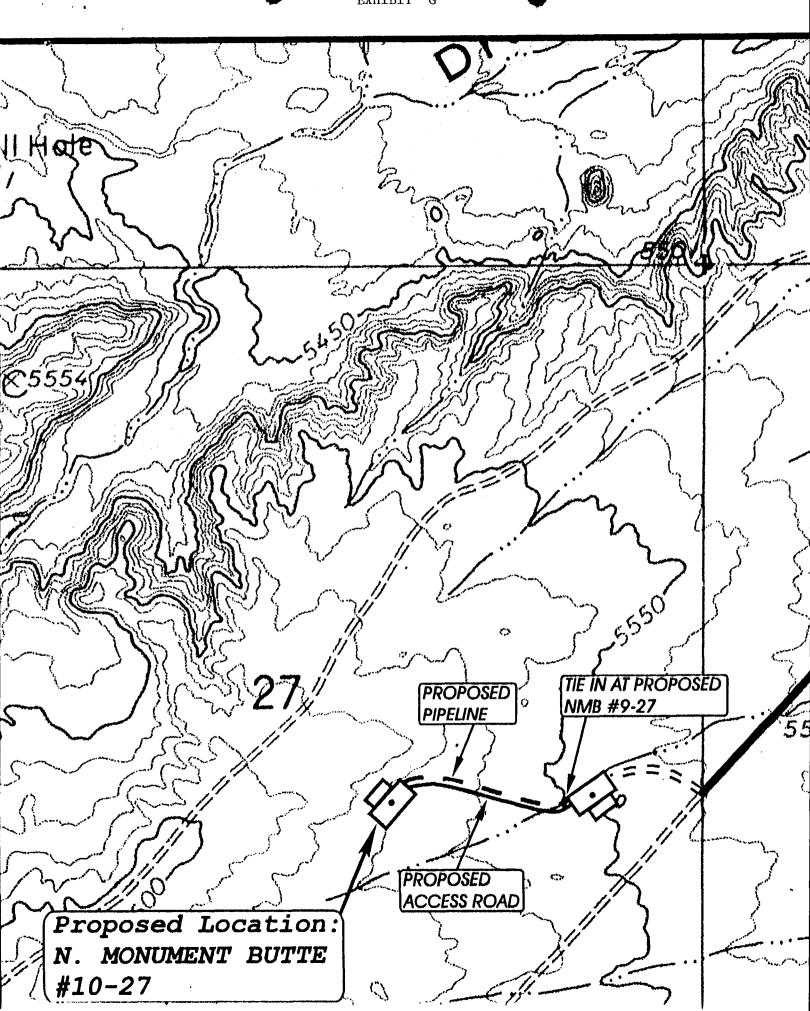
UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017

2-M SYSTEM

RAM TYPE B.O.P. Make: Size: Model:



Rounding off to the next higher increment of 10 gal, would require
 Gal, (total fluid & nitro volume)



WORKSHEET APPLICATION FOR PERMIT TO DRILL

API NO. ASSIGNED: 43-013-31905

APD RECEIVED: 06/20/97

WELL NAME: N MONUMENT BUTTE FED 10-27 OPERATOR: INLAND PRODUCTION COMPANY (N5160) INSPECT LOCATION BY: PROPOSED LOCATION: / / NWSE 27 - T08S - R16E TECH REVIEW Initials SURFACE: 1980-FSL-1980-FEL Date BOTTOM: 1980-FSL-1980-FEL DUCHESNE COUNTY Engineering MONUMENT BUTTE FIELD (105) Geology LEASE TYPE: FED Surface LEASE NUMBER: U - 73088 PROPOSED PRODUCING FORMATION: GRRV RECEIVED AND/OR REVIEWED: LOCATION AND SITING: / Plat R649-2-3. Unit: Bond: Federal [4] State[] Fee[] √ R649-3-2. General. (Number 4488944) Potash $(Y\overline{/N})$ ____ R649-3-3. Exception. \sqrt{N} Oil shale (Y/N)✓ Water permit (Number Gilso Mitt SiAte 7-32)

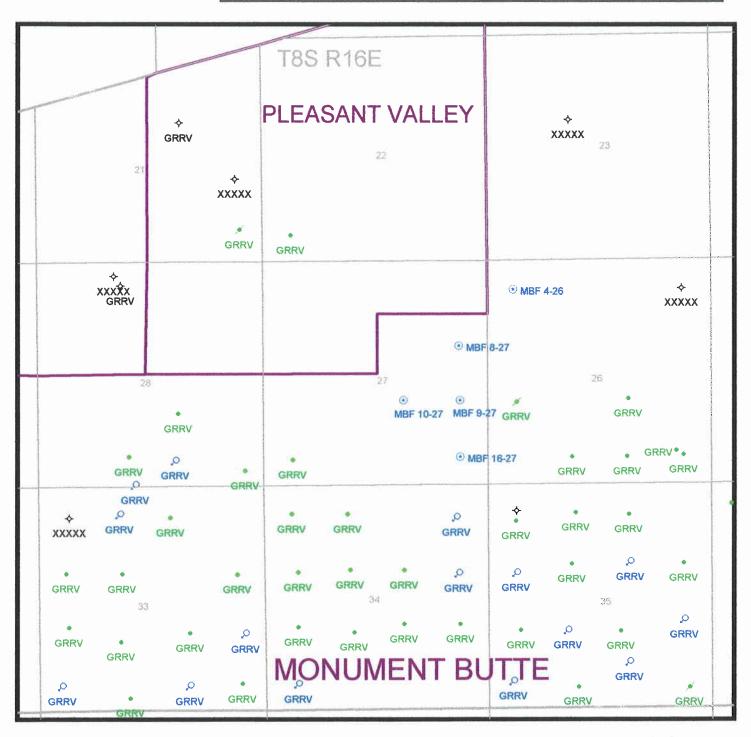
RDCC Review (Y/N) Drilling Unit. Board Cause no: (Date: Date: COMMENTS: STIPULATIONS:

OPERATOR: INLAND PRODUCTION (N3800)

FIELD: MONUMENT BUTTE (105)

SEC, TWP, RNG: 26, & 27, T8S, R16E

COUNTY: DUCHESNE UAC: R649-3-2



PREPARED: DATE: 23-JUNE-97

Form approved. Budget Bureau No. 1004-0136 Expires December 31, 1991

Dogno

UNITED STATE DEPARTMENT OF THE INTERIOR

5. LEASE DESIGNATION AND SERIAL NO. U-73088 **BUREAU OF LAND MANAGEMENT** 6. IF INDIAN, ALOTTEE OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 7. UNIT AGREEMENT NAME DRILL 1a. TYPE OF WORK 1b. TYPE OF WELL 8. FARM OR LEASE NAME SINGLE **MULTIPLE** GAS OIL N. Monument Butte Federal OTHER ZONE ZONE WELL X WELL 9. WELL NO 2. NAME OF OPERATOR #10-27 **Inland Production Company** 10. FIELD AND POOL OR WILDCAT 3. ADDRESS OF OPERATOR Phone: (801) 789-1866 **Monument Butte** P.O. Box 790233 Vernal, UT 84079 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW/SE RECFIVED At Surface Sec. 27, T8S, R16E 1980' FSL & 1980' FEL At proposed Prod. Zone JUN 1 9 1997 13. STATE 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12. County UT 10.2 Miles southwest of Myton, Utah Duchesne 17. NO. OF ACRES ASSIGNED TO THIS WELL 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY 16. NO. OF ACRES IN LEASE OR LEASE LINE, FT.(Also to nearest drlg. unit line, if any) 1198.94 40 1980 20, ROTARY OR CABLE TOOLS 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, 19. PROPOSED DEPTH Rotary DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. 65001 1320' 22. APPROX. DATE WORK WILL START* 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3rd Quarter 1997 5568.4' GR PROPOSED CASING AND CEMENTING PROGRAM 23. SETTING DEPTH OUANTITY OF CEMENT SIZE OF CASING WEIGHT/FOOT SIZE OF HOLE 300 8 5/8" 24# 120 sx 12 1/4" 5 1/2" 15.5# TD 400 sx followed by 330 sx 7 7/8" See Detail Below The actual cement volumes will be calculated off of the open hole logs, plus 15% exces SURFACE PIPE - Premium Plus Cement, w/ 2% Gel, 2% CaCl2,1/4# /sk Flocele YIELD: 1.37 Cu Ft/sk H2O Reg: 6.4 Gal/sk Weight: 14.8 PPG LONG STRING - Lead: Hibond 65 Modified Weight: 11.0 PPG YIELD: 3.00 Cu Ft/sk H₂0 Req: 18.08 Gal/sk Tail: Premium Plus Thixotropic DIV. OF OIL, GAS & MINING Weight: 14.2 PPG YIELD: 1.59 Cu Ft/sk H₂0 Reg: 7.88 Gal/sk IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. 24. TITLE District Manager 6/6/97 DATE SIGNED Brad Mecham (This space for Federal or State office use) NOTICE OF APPROVAL DATE PERMIT NO Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

> CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

JUL 28 1997

*See Instructions On Reverse Side

Assistant Field Manager

Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

COAs Page 1 of 9

Well No.: N. Monument Butte Federal 10-27

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company
Well Name & Number: N. Monument Butte Federal 10-27
API Number: <u>43-013-31905</u>
Lease Number: U -73088
Location: NWSE Sec. 27 T. 8S R. 16E

NOTIFICATION REQUIREMENTS

Location Construction

at least forty-eight (48) hours prior to construction of

location and access roads.

Location Completion

prior to moving on the drilling rig.

Spud Notice

at least twenty-four (24) hours prior to spudding the well.

Casing String and

Cementing

at least twenty-four (24) hours prior to running casing and

cementing all casing strings.

BOP and Related **Equipment Tests**

at least twenty-four (24) hours prior to initiating pressure

tests.

First Production

Notice

within five (5) business days after new well begins, or

production resumes after well has been off production for

more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

Well No.: N. Monument Butte Federal 10-27

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report <u>ALL</u> water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 2M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water, identified at 433 ft.or by setting surface casing to 450 ft.and having a cement for the production casing at least 200 ft above the shallowest potential productive zone. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5 .Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cementand shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

COAs Page 4 of <u>9</u>
Well No.: N. Monument Butte Federal 10-27

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

COAs Page 5 of <u>9</u>
Well No.: N. Monument Butte Federal 10-27

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

COAs Page 6 of 9 Well No.: N. Monument Butte Federal 10-27

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (801) 789-7077 Petroleum Engineer

Wayne P. Bankert (801) 789-4170 Petroleum Engineer

Jerry Kenczka (801) 781-1190 Petroleum Engineer

BLM FAX Machine (801) 781-4410

Well No.: N. Monument Butte Federal 10-27

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

COAs Page 8 of 9 Well No.: N. Monument Butte Federal 10-27

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: <u>Surface Operating Standards for Oil and Gas Exploration and Development</u>, (1989).

All vehicle travel will be confined to existing access road rights-of-way.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, and crowning (2 to 3%). Graveling or capping the roadbed will be required as necessary to provide a well constructed safe road. Prior to construction/upgrading, the proposed road surface or existing road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Should mud holes develop, they shall be filled in to prevent detours. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. When snow is removed from the road during the winter months, the snow should be pushed outside of the burrow ditches and the turn outs should be kept clear so that when the snow melts the water will be channeled away from the road.

Mountain Plover

No survey work, exploration, prospecting, or plugging and abandonment will occur from March 15 through August 15.

Motorized travel will take place only on designated routes. No cross country travel is permitted.

Road maintenance will be avoided from May 25 through July 1.

According to the timeframes listed on the following chart and prior to new construction and drilling activities, a detailed survey of the area within 0.5 mile of a proposed location and 300 feet either side of the center line of a proposed access route will be made by BLM or a qualified biologist to detect the presence of plovers. Extreme care shall be exercised to locate plovers due to their highly secretive and quiet nature. Where possible, the survey shall first be made from a stationary vehicle. All plovers located will be observed long enough to determine if a nest is present. If no visual sightings are made from the vehicle, the area will be surveyed again on foot.

Starting Date of Construction or Drilling Activity	Number of Surveys
From March 15 through April 15	1

COAs Page 9 of 9 Well No.: N. Monument Butte Federal 10-27

From April 16 through July 15	2
From July 16 through August 15	1

The surveys will be conducted no more than 14 days prior to the date actual construction or drilling activities begin. If two surveys are required, they will be made at least 14 days apart with the last survey no more than 14 days prior to the start-up date.

If an active nest or chicks are found in the area, the planned activity will be delayed until the chicks are out of downy plumage; the brood vacates the area of influence; or, the nest has failed.

Grading activities and new road construction will be minimized from May 25 through June 30.

Since plovers were found in the vicinity of this well, no construction or drilling will be allowed until after August 15, 1997. If the well is not drilled between Aug. 15, 1997 and March 15, 1998, the above plover stipulations will again be required.

Michael O. Leavitt Governor Ted Stewart Executive Director James W. Carter Division Director

1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

August 6, 1997

Inland Production Company P.O. Box 790233 Vernal, Utah 84079

Re: N. Monument Butte Federal 10-27 Well, 1980' FSL, 1980' FEL NW SE, Sec. 27, T. 8 S., R. 16 E., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-31905.

Sincerely,

∮ohn R. Baza

Associate Director

lwp

Enclosures

cc: Duchesne County Assessor

Bureau of Land Management, Vernal District Office

Operator: _		Inland Production Company				
Well Name &	Number: _	N. Monument Bu	tte Federal	10-27		
API Number:		43-013-31905				
Lease:		U-73088	· · · · · · · · · · · · · · · · · · ·			
Location: _	NW SE	_ Sec27 T	8 S.	R. 16 E.		

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact John R. Baza (801)538-5334.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: INLAND PRODUCTION CO	
Well Name: MONUMENT BUTTE FEDERAL 10-27	
Api No. <u>43-013-31905</u>	
Section: 27 Township: 8S Range: 16E County: DUCHESNE	
Drilling Contractor:	
Rig #	
SPUDDED:	
Date: 9/2/97	
Time:	
How: DRY HOLE	
Drilling will commence:	
Reported by: FAX	
Telephone NO.:	
Date: <u>9/8/97</u> Signed: <u>JLT</u>	

FORM 3160-5

(June 1990)

UNITED STATES DEPARTMENT OF HE INTERIOR BUREAU OF LAND MANAGEMENT

Budged Bureau No. 1004-0135

	Expires	March 3	1, 19	993	
_					

SUNDRY NOTICES AND REPO	U-73088	
Do not use this form for proposals to drill or Use "APPLICATION FOR PERM	6. If Indian, Allottee or Tribe Name	
SUBMIT IN	TRIPLICATE	7. If unit or CA, Agreement Designation Hawkeye Unit
1. Type of Well X Oil Well Gas well Other		8. Well Name and No.
2. Name of Operator		Monument Butte Federal #10-27
Inland Production Company		9. API Well No.
3. Address and Telephone No.		43-013-31905
P.O. Box 790233 Vernal, UT 84079	Phone No. (801) 789-1866	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		Monument Butte 11. County or Parish, State
NW/SE Sec. 27, T8S, R16E		Duchesne, UT
12 CHECK APPROPRIATE BOX(s) TO INI	DICATE NATURE OF NOTICE, REPORT, OR OTH	ER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Notice of Intent	Abandonment	Change of Plans
	Recompletion	New Construction
X Subsequent Report	Plugging Back	Non-Routine Fracturing
	Casing repair	Water Shut-off
Final Abandonment Notice	Altering Casing	Conversion to Injection
	K Other Surface Spud	Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
drilled, give subsurface locations and measured and true vertic		
286'. Pump 10 BDW & 20 BG. Pum	thole Rig to 307'. Run 8 5/8" 24# ST&C csg to np 50 sx cmt. Pmp truck broke down - circ most	

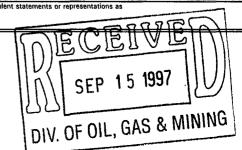
Drilled 12 1/4" hole w/ Leon Ross Rathole Rig to 307'. Run 8 5/8" 24# ST&C csg to 286'. Pump 10 BDW & 20 BG. Pump 50 sx cmt. Pmp truck broke down - circ most cmt out of hole. Circ 1 BPM. Pump 10 BG. Cmt w/ 120 sx Prem + w/ 2% CC, 2% gel + 1/4#/sk flocele, 14.8 ppg, 1.37 cf/sk yield & 50 sx Prem +, 15.6 ppg, 1.18 cf/sk yield. Good returns w/ est 8 BC return.

SPUD @ 1:30 pm 9/2/97.

4. I hereby certify that the foregoing is truspind correct Signed Cheryl Cameron	Title	Regulatory Compliance Specialist	Date	9/9/97	
(This space of Federal or State office use.)					
Approved by Conditions of approval, if any:	Title		Date	e	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as

to any matter within its jurisdiction.



SME I III ANY SECOND OF CHI. SAS NO MARKE WHATON Inland Production Corners P 0 Box 790233 ENTITY ACTION FORM - FARM 6 LENGT. MI. AC LESS AS I HEAREN WELL HAVE COCE Entition 20 ENLITY NO. 00-45 Tar Sands Federal #16-29 :: Spud surface hole w/ Rotary Rig, Union #/ . 2. WELL T. COMMENTS: 7.3 NWSE 99999 43-013-31905 Monument Butte Federal 10-27 Spud surface noie w/ Leon Ross Kathole Rig 3 1:30 pm 9/2/9/. Wett 2 Camenis: 99999 40-013-31904 Monument Butte Federal 9-27 NESE 27 Spud surface hole w/ LeonRoss Rathole Rig @ 6:00 pm 8/22/97. MCLL 3 COMMENTS: ¥3-013-31903 Monument Butte Federal 8-27 NESE 99999

27 16E Duchesne 126/97 8/26/97 Spud surface hole w/ Leon Ross Rathole Rig @ 12:30 pm 8/26/97. JELL 4 COMBENTS: uete s courtins:

ACTION CODES (See Instructions on Mach of form)

A - Establish new entity for new well (single well only) B - Add new well to existing entity (group or unit well)

C - Re-assign well from one existing entity to another existing entity

B - Re-assign well from one existing entity to a new entity

E - Uther [explain in comments section]

NATE: Use COMMENT section to explain why each Action Code was selected.

Signature Cheryl Cameron RCS 9/9/97

Title Date

EFFECT!'Æ

BATE

9/2/97

8/22/97

DATE

9/2/97

8/22/97

VELL LECATION

RG

17E

16E

16E

TP

35

88

85

54

29

COUNTY

Duchesne

Duchesne

Duchesne

1801 1789-1866

(3 89)

Facsimile Cover Sheet

To: Lisha Cordova

Company: State of Utah

Phone: (801) 538-5296

Fax: (801) 359-3940

From: Cheryl Cameron

Company: Inland Production Company

Phone: (801) 789-1866

Fax: (801) 789-1877

Date: 9/9/97

Pages including this

cover page: 2

Comments: Entity Action Form for Tar Sands Federal #16-29,

Monument Butte Federal 8-27, 9-27 and the 10-27.

FORM 3/160-6

(June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM	APPROVED
------	----------

Budged Bureau No. 1004-0135

	Expires March 31, 1993
5.	Lease Designation and Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS

SUNDRY NOTICES AND RE	PORTS ON WELLS	U-73088
	r deepen or reentry to a different reservoir.	6. If Indian, Allottee or Tribe Name
Use "APPLICATION FOR PE		
		7. If unit or CA, Agreement Designation
SUBMIT IN	TRIPLICATE 1007	Hawkeye Unit
1. Type of Well		
X Oil Well Gas well Other	Control of the second Control of the second	8. Well Name and No.
2. Name of Operator		Mon Butte Fed #10-27
Inland Production Company	the policy of the policy of the first of the company of the policy of th	9. API Well No.
3. Address and Telephone No.		43-013-31905
P.O. Box 790233 Vernal, UT 84079	Phone No. (801) 789-1866	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		Monument Butte
NW/SE		11. County or Parish, State
Sec. 27, T8S, R16E		Duchesne, UT
•		
12 CHECK APPROPRIATE BOX(s) TO	INDICATE NATURE OF NOTICE, REPOR	T, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTIO	N
Notice of Intent	Abandonment	Change of Plans
	Recompletion	New Construction
X Subsequent Report	Plugging Back	Non-Routine Fracturing
	Casing repair	Water Shut-off
Final Abandonment Notice	Altering Casing	Conversion to Injection
	X Other P&A	Dispose Water
	A Other 7 dA	(Note: Report results of multiple completion on Well
		Completion or Recompletion Report and Log form.)
	inent details, and give pertinent dates, including estimated date of starting rtical depths for all markers and zones pertinent to this work)	any proposed work. If well is directioally
difficulty and subscribed food and find a decree	Constitution of the consti	
Drilled 7 7/8" hole from 307' - 6250' v	v/ Four Corners, Rig #6. PLUGGED OF	N 9/16/97
Diva #4. Set plus @ 5040' w/ 445 sv	r prem + w/ 2% CC mixed @ 15.6 ppg w/ 1.	19 of/sk viold
Tag cmt @ 4697'.	prem + w/ 2/8 CC mixed @ 10.0 ppg w/ 1.	To CI/Sk yield
	95 sx Prem + w/ 2% CC mixed @ 15.6 pp	n w/ 1 19 cf/sk viold
Plug #2: Set plug @ 1677 - 1477 W	35 SX FIEIII + W/ 2/6 CC IIIXed @ 15.0 pp	y w/ 1.16 Cl/Sk yleid.
Plug #3: Set plug @ 495' w/ 125 sx	Thixo w/ 10% CalSeal w/ 3% CC mixed @	14.2 ppg w/ 1.59 cf/sk yield.
Div. #4. Oct plus @ 0401 0401 0401		u 4 40 offet viold
Plug #4: Set plug @ 210 - 212 W/ 85	sx Prem + w/ 2% CC mixed @ 15.6 ppg w	/ I.To CI/SK yleiu.
Plug #5: Topped off 8 5/8" csg w/ pl	ug #5 using 10 sx Prem + mixed @ 15.6 p	og w/ 1.18 cf/sk yield 30' - 12'.

Dry hole marker will be installed & location to be reclaimed when weather conditions permit, to BLM specifications.

e foregoing strue and correct Regulatory Compliance Specialist Date 9/19/97 Title Cheryl Cameron (This space of Federal or State office use.) Approved by Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as

to any matter within its jurisdiction.

Form 3160-4 (Newember 1983) (Formerly 9-330)

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLEATE.

(See other in-

Form approved. Budget Bureau No. 1004-0137 Expires August 31, 1985

struct revers

ions on e side)	5. LEASE DESIGNATION AND SERIAL DU-73088	νõ
· *	6. IF INDIAN, ALLOTTEE OR TRIBE NA	M

WELL CO	OMPLETIO	N OR RECO	OMPLETI				LOG *			
1a. TYPE OF WE	ELL: 0	ELL GAS WELL	DR	v X	Other P&A			7. UNIT AGE		NT NAME
b. TYPE OF CO	WORK DOVER E	EEP- PIUG BACK	DIFF.	R. 🗌	Other			S. FARM OR	LEASE	NAME atte Federal
2. NAME OF OPER Inland Pr	oduction C	ompany						9. WELL NO		
3. ADDRESS OF OP	TOO OOO T	1 11m 0//	70 (90	1 \ 70	0 1066			#10-27		
4. LOCATION OF W		nal, UT 840				rements)	•	Monumen	_	or wildcar itte
At surface	NW/SE	1980'	FSL & 19	980'	FEL			11. SEC., T., OR AREA		OR BLOCK AND SURVE
At top prod. in	nterval reported		101 4 1					Sec. 27	, T	BS,R16E
At total depth			14. PER	MIT NO.	<u> </u>	DATE ISS	N'ED	12. COUNTY	or	13. STATE
			43-0			7/28		Duchesn		UT
15. DATE SPUDDED 9/2/97	9/14/9	REACHED 17. DA	P&A	Ready to	prod.) 18	5568.	IONS (DF. RE	(B, RT, GR, ETC.)	19.	ELEV. CASINGHEAD
20. TOTAL DEPTH, MD 6250 1	1	UG, BACK T.D., MD	≜ TVD 22.	IF MUL HOW M	TIPLE COMPL.		3. INTERVAL DRILLED		LS	CABLE TOOLS
24. PRODUCING INTE	ERVAL(S). OF THE	S COMPLETION-TO	OP, BOTTOM, N	AME (M	ID AND TVD)	· · · · · · · · · · · · · · · · · · ·			2	5. WAS DIRECTIONAL SURVEY MADE
Plugged &	Abandoned								İ	No
DI, DSN	AND OTHER LOGS								27. W	NO NO
28.	10-00-01		SING RECOR	D (Rep	ort all strings	set in w				
CASING SIZE	WEIGHT, LB		ET (MD)		LE SIZE	100		NG RECORD		AMOUNT PULLED
8 5/8	24#	286	<u> </u>	12	1/4	120	sx Pren	1 Plus		
29.		LINER RECOR						TUBING RECO	 -	c=m (MD)
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEM	ENT	SCREEN (MI	" -	SIZE	DEPTH SET (M		PACKER SET (MD)
			-							
1. PERFORATION RE	CORD (Interval, s	ize and number)			32.	ACID.	SHOT, FRA	CTURE, CEMENT		
Plugged &	Abandoned				DEPTH INT	ERVAL (ND)	AMOUNT AND KIN	D OF 1	MATERIAL USED
					ļ 					
				DRAD	UCTION	 				
3. PATE FIRST PRODUCT	TION PROD	UCTION METHOD (Flowing, gas			nd type	of pump)			8 (Producing or
P&A on 9/	16/97	Plugged & A	bandone	1					t-in)	P&A
ATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. TEST PE		OIL-BBL.	6.	AS+MCF.	WATER—BBL		GAS-OIL RATIO
LOW. TUBING PRESS.	CASING PRESSU	RE CALCULATED 24-HOUR RA		l,.	GASN	CF.	WATE	R-HBG- 3 (A)	1997	RAVITY-API (CORR.)
4. DISPOSITION OF G	IAS (Sold, used fo	r fuel, vented, etc.)		· · · · · · · · · · · · · · · · · · ·	_		TEST WITNES		
5. LIST OF ATTACH Logs in I	ments tem #26						A series of the	er de la composition della com	e sales suses	and the state of the second se
6. I hereby corniry	that the foregoi	g and attached	information i	s compl	ete and corre	ct as de	ermined fro	m all available re	cords	
SIGNED	huell	inun	TITL		egulator Compliar		ecialis	StDATE	10/	/16/97

	d	TRUE VERT. DEPTH							 *
GEOLOGIC MARKERS	TOP	MEAS. DEPTH							
		NAME							
hion used, time tool open, flowing and shut-in pressures, and 38	DESCRIPTION, CONTENTS, ETC.	g Procedure: : Set plug @ 5040' w/ 115 sz	2% C	Plug #2: Set plug @ 1677' - 1477' w/ 95 sx Prem + w/ 2% CC mixed @ 15.6 ppg w/ 1.18 cf/sk yield.	Plug #3: Set plug @ 495' w/ 125 sx Thixo w/ 10% CalSeal w/ 3% CC mixed @ 14.2 ppg w/ 1.59 cf/sk yield.	Plug #4: Set plug @ 210'-212' w/ 85 sx Prem + w/ 2% CC mixed @ 15.6 ppg w/ 1.18 cf/sk yield.	Plug #5: Topped off 8 5/8" csg w/ plug #5 using 10 sx Prem + mixed @ 15.6 ppg w/ 1.18 cf/sk yield 30'-12'.	Dry hole marker installed & location to be reclaimed by the end of the 4th quarter,to BLM specifications.	
rval tested, cus	BOTTOM								
luding depth inte	TOP	43891	49481	5326° 5462° 5980°					
drill-stem, tests, including depth interval tested, cushion used, time recoveries):	FORMATION	Garden Gulch Mkr Point 3 Mkr	X Mkr Y Mkr	Douglas Ck Akt BiCarbonate Mkr B Limestone Mkr Castel Peak	רמוס				



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office 170 South 500 East Vernal, Utah 84078-2799

Phone: (801) 781-4400 Fax: (801) 781-4410

3162.34

UT08438

August 2, 1999

Inland Production Company 410 17th Street, Suite 700 Denver, Colorado 80202

RE: Monument Butte Fed #10-27 ' Hawkeye Unit NWSE, Sec.27, T8S, R16E API #43-013-31905 Duchesne County, Utah Lease No. U-73088

Dear Sir:

The above referenced well was plugged and abandoned September 16,

Field reviews and examinations were conducted by personnel from this office October 14, 1997, and July 28, 1999. It was determined on July 28, 1999 that the surface rehabilitation has been satisfactorily completed.

Final abandonment of the well and well site has been approved.

If you have any questions concerning this matter, please contact Stan Olmstead at (435)781-4468.

sincerely,

Howard Cleavinger Assistant District

Manager for Minerals

cc: Inland Route #3, Box 3630 Myton, Utah 84052

DIV. OF OIL, GAS & M



United States Department of the Interior



BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155 http://www.blm.gov

IN REPLY REFER TO: 3106 (UT-924)

September 16, 2004

Memorandum

To:

Vernal Field Office

From:

Acting Chief, Branch of Fluid Minerals

Subject:

Merger Approval

Attached is an approved copy of the name change recognized by the Utah State Office. We have updated our records to reflect the merger from Inland Production Company into Newfield Production Company on September 2, 2004.

Milas Llouthous

Michael Coulthard Acting Chief, Branch of Fluid Minerals

Enclosure

1. State of Texas Certificate of Registration

cc:

MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225 State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114

Teresa Thompson Joe Incardine Connie Seare

MIN THE

		-		• • •	•	
	UTSL-	15855	61052	73088	76561	. ,
	071572A	16535	62848	73089	76787	
	065914	16539	63073B	73520A	76808	
		16544	63073D	74108	76813	
	•	17036	63073E	74805	76954	63073X
	•	17424	63073Q	74806	76956	63098A
		18048	64917	74807	77233	68528A
	UTU-	18399	64379	74808	77234	72086A
		19267	64380	74389	77235	72613A
	02458	26026A	64381	74390	77337	72013A 73520X
	03563	30096	64805	74391	77338	74477X
	03563A	30103	64806	74392	77339	75023X
	04493	31260	64917	74393	77357	75023X 76189X
	05843	33992	65207	74398	77359	76331X
	07978	34173	65210	74399	77365	76788X
	09803	34346	65635	74400	77369	77098X
	017439B	36442	65967	74404	77370	77107X
	017985	36846	65969	74405	77546	77236X
	017991	38411	65970	74406	77553·	77230X 77376X
	017992	38428	66184	74411	77554	78560X
	018073	38429	66185	74805	78022	79485X
	019222	38431	66191	74806	79013·	79641X
-	020252	39713	67168	74826	79014	80207X
	020252A	39714	67170	74827	79015	81307X
	020254	40026	67208	74835	79016	.0130721
	020255	40652	67549	74868	79017	-
	020309D	40894	67586	74869	79831	
	022684A	41377	67845	74870	79832	
	027345	44210	68105	74872	79833 [,]	
	034217A	44426	68548	74970	79831	
	035521	44430	68618	75036	79834	
	035521A	45431	69060	75037	80450	
	038797	47171	69061	75038	80915	
	058149	49092	69744	75039	81000	•
	063597A	49430	70821	75075		
	075174	49950	72103	75078		-
	096547	50376	72104	75089		
	096550	50385	72105	75090		
	٠	50376	72106	75234		
	•	50750	72107	75238		
	10760	51081	72108	76239		
	11385	52013	73086	76240		•
	13905	52018	73087	76241		
	15392	58546	73807	76560		
			, 500 /	70000		



Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Newfield Production Company Filing Number: 41530400

Articles of Amendment

September 02, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 10, 2004.





Secretary of State

ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION OF INLAND PRODUCTION COMPANY

In the Office of the Secretary of State of Texas

SEP 02 2004

Corporations Section

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act (the "TBCA"), the undersigned corporation adopts the following articles of amendment to the articles of incorporation:

ARTICLE 1 - Name

The name of the corporation is Inland Production Company.

ARTICLE 2 - Amended Name

The following amendment to the Articles of Incorporation was approved by the Board of Directors and adopted by the shareholders of the corporation on August 27, 2004.

The amendment alters or changes Article One of the Articles of Incorporation to change the name of the corporation so that, as amended, Article One shall read in its entirety as follows:

"ARTICLE ONE - The name of the corporation is Newfield Production Company."

ARTICLE 3 - Effective Date of Filing

This document will become effective upon filing.

The holder of all of the shares outstanding and entitled to vote on said amendment has signed a consent in writing pursuant to Article 9.10 of the TBCA, adopting said amendment, and any written notice required has been given.

IN WITNESS WHEREOF, the undersigned corporation has executed these Articles of Amendment as of the 1st day of September, 2004.

INLAND RESOURCES INC.

Susan G. Riggs, Treasurer

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING 1. GLH

2. CDW 3. FILE

Change of Operator (Well Sold)

Designation of Agent/Operator

X Operator Name Change

Merger

The operator of the well(s) listed below has	9/1/2004								
FROM: (Old Operator): N5160-Inland Production Company Route 3 Box 3630 Myton, UT 84052	TO: (New Operator): N2695-Newfield Production Company Route 3 Box 3630 Myton, UT 84052								
Phone: 1-(435) 646-3721 CA I	No.			Phone: 1-(435) Unit:	646-3721		·		-
WELL(S)	10.			Omt.	- 				-
NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	1
PREWITT 9-24				4301331864	12115	Fee	OW	P	
PREWITT 10-24				4301331865	12114	Fee	OW	P	
ALLEN TRUST 2-24	24	040S	020W	4301331944	12267	Fee	OW	P	
MBFNE 12-24	24	080S	160E	4301331923	12244	Federal	OW	P	\mathbf{L}
N MONUMENT BUTTE FED 8-27	27	080S	160E	4301331903	12215	Federal	D	PA	\mathbf{I}_{-}
N MONUMENT BUTTE FED 10-27	⁴ 27 ↔	0808	160E	4301331905	12213	Federal	D	PA	T
SAND WASH 12-28-8-17	28	080S	170E	4301331943	12283	Federal	D	PA	T
TAR SANDS FED 13-33	33	080S	170E	4301331841	12116	Federal	D	PA	
HARBOURTOWN FED 21-33	33	080S	170E	4301331914	12391	Federal	OW	P	
HARBOURTOWN FED 42-33	33	080S	170E	4301331915	12391	Federal	OW	P	
HARBOURTOWN FED 23-34	34	080S	170E	4301331916	12391	Federal	OW	P	C
HARBOURTOWN FED 44-34	34	080S	170E	4301331917	12391	Federal	OW	P	
NINE MILE 14-6-9-16	06	090S	160E	4301331999	99998	Federal	D	PA	$ar{ar{ar{ar{ar{ar{ar{ar{ar{ar{$
									+
									1
						-			1

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

(R649-8-10) Sundry or legal documentation was received from the FORMER operator on: 9/15/2004

(R649-8-10) Sundry or legal documentation was received from the NEW operator on:

9/15/2004

3. The new company was checked on the Department of Commerce, Division of Corporations Database on:

2/23/2005

Is the new operator registered in the State of Utah:

YES Business Number:

755627-0143

5. If NO, the operator was contacted contacted on:

6a. (R649-9-2)Waste Management Plan has been received on:	IN PLACE
6b. Inspections of LA PA state/fee well sites complete on:	waived
7. Federal and Indian Lease Wells: The BLM and or t	the BIA has approved the merger, name change,
or operator change for all wells listed on Federal or Indian least	-
8. Federal and Indian Units:	· · · · · · · · · · · · · · · · · · ·
The BLM or BIA has approved the successor of unit operator	or for wells listed on: n/a
 Federal and Indian Communization Agreements The BLM or BIA has approved the operator for all wells list 	
10. Underground Injection Control ("UIC") The Inject, for the enhanced/secondary recovery unit/project for the	Division has approved UIC Form 5, Transfer of Authority to ne water disposal well(s) listed on: 2/23/2005
DATA ENTRY:	
1. Changes entered in the Oil and Gas Database on:	2/28/2005
2. Changes have been entered on the Monthly Operator Change	ge Spread Sheet on: 2/28/2005
3. Bond information entered in RBDMS on:	2/28/2005
4. Fee/State wells attached to bond in RBDMS on:	2/28/2005
5. Injection Projects to new operator in RBDMS on:	2/28/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New or	n: waived
FEDERAL WELL(S) BOND VERIFICATION:	
1. Federal well(s) covered by Bond Number:	<u>UT 0056</u>
INDIAN WELL(S) BOND VERIFICATION:	
1. Indian well(s) covered by Bond Number:	61BSBDH2912
FEE & STATE WELL(S) BOND VERIFICATION:	
1. (R649-3-1) The NEW operator of any fee well(s) listed covere	ed by Bond Number 61BSBDH2919
2. The FORMER operator has requested a release of liability from The Division sent response by letter on:	n their bond on:n/a*
LEASE INTEREST OWNER NOTIFICATION:	
(R649-2-10) The FORMER operator of the fee wells has been of their responsibility to notify all interest owners of this change	· · · · · · · · · · · · · · · · · · ·
COMMENTS:	
*Bond rider changed operator name from Inland Production Compa	any to Newfield Production Company - received 2/23/05